

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 410** HLS 24RS 723

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---|---------|-----------------------------|
| Date: May 21, 2024 | 4:24 PM | Author: BRASS |
| Dept./Agy.: Statewide | | Analyst: Chris Henry |
| Subject: Professional Service Contract Exemption | | |

PUBLIC CONTRACTS

EN NO IMPACT See Note

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Provides relative to exemption from requirements regarding selection of professional services contacts

Present law exempts professional services contracts with an estimated project budget of \$500,000 or less from provisions in Title 38 regarding the selection of professional services for public contracts. Proposed law increases the limitation on the exemption to include projects with an estimated budget of \$1 M or less. Proposed legislation also repeals R.S. 39:128(B)(2) which provided a standalone \$500,000 exemption for professional contracts entered into by state postsecondary institutions. This repeal will allow postsecondary institutions to be in the same pool as other state agencies under the \$1 M exemption threshold as provided in the proposed law.

| EXPENDITURES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| REVENUES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The selection boards involved in the process of vetting these professional contracts will continue operations as usual. There may be savings in personnel time through efficiencies at state agencies resulting from the increased exemption threshold in the proposed legislation; however, these savings would be nominal.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer